UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

NAVIGATOR CAPITAL PARTNERS, L.P., on behalf of itself and all others similarly situated, Plaintiff, -against- BEAR STEARNS ASSET MANAGEMENT INC., *et al.*, Defendants, -and- BEAR STEARNS HIGH-GRADE STRUCTURED CREDIT STRATEGIES, L.P., Nominal Defendant.	No. 07 Civ. 07783 (AKH)
STILLWATER MARKET NEUTRAL FUND II LP, Plaintiff, -against- BEAR STEARNS ASSET MANAGEMENT INC., et al., Defendants, - and - BEAR STEARNS HIGH-GRADE STRUCTURED CREDIT STRATEGIES FUND, LP, Nominal Defendant.	No. 09 Civ. 4223 (AKH)

DECLARATION OF LEE A. WEISS IN SUPPORT OF PLAINTIFF STILLWATER MARKET NEUTRAL FUND II LP'S MOTION TO CONSOLIDATE RELATED DERIVATIVE ACTIONS, AND TO APPOINT CO-LEAD PLAINTIFFS AND CO-LEAD COUNSEL

I, Lee A. Weiss, declare as follows

1. I am a member of Browne Woods George LLP, counsel for Plaintiff Stillwater Market Neutral Fund II LP.

2. I am familiar with the facts set forth below and submit this declaration in support of Stillwater Market Neutral Fund II LP's ("Stillwater Market Neutral") Motion to Consolidate Related Shareholder Derivative Actions, and to Appoint Co-Lead Plaintiffs and Co-Lead Counsel.

Letter Exchange with the Court Regarding Navigator's Meritless Assertion as to Stillwater's Standing

3. Attached as Exhibit 1 is a true and correct copy of a letter dated September 5, 2008 from Navigator's counsel, Johnston de F. Whitman, Jr., to the Court.

4. Attached as Exhibit 2 is a true and correct copy of a letter dated September 8, 2008 from Stillwater Market Neutral's prior counsel, Jordan W. Siev, to the Court.

Stillwater's Counsel Pursued an Important Subject Matter Jurisdiction Issue

5. Attached as Exhibit 3 are relevant excerpts from a true and correct copy of the transcript of the February 24, 2009 oral argument before this Court in *Navigator Capital Partners, L.P. v. Bear Stearns Asset Management Inc., et al.*, No. 07 Civ. 7783 (AKH) (the "Navigator Action"), *FIC, L.P. v. Bear Stearns Asset Management Inc., et al.*, No. 07 Civ. 11633 (AKH), and *Varga v. The Bear Stearns Companies, Inc., et al.*, No. 08 Civ. 3397 (AKH).

6. Subsequent to the February 24, 2009 hearing, Browne Woods George LLP was contacted by Stillwater Market Neutral to review its claims against the Domestic High-Grade Fund. As part of its review of the procedural history in the Navigator Action, Browne Woods George identified the subject matter jurisdiction issue in the Navigator Action that is discussed in the Memorandum of Law in Support of Stillwater Market Neutral's consolidation motion.

Navigator and Defendant Effectively Exclude Stillwater from Discovery

7. Attached as Exhibit 4 are relevant excerpts from a true and correct copy of the transcript of the August 25, 2009 oral argument on the remand motion before this Court. During oral argument, the Court asked counsel for plaintiffs in the Navigator and Varga 2008 actions if the parties to the Varga 2009 and Stillwater actions could be worked into the First Joint Discovery Plan which the parties to the Navigator, FIC and Varga actions had entered in May 2009 at the Court's direction. Navigator's counsel responded, "Yes, Your Honor" without qualification.

8. Subsequent to the August 25, 2009 hearing, Stillwater Market Neutral's counsel drafted a Stipulation Amending First Joint Discovery Plan (the "Amended Discovery Plan"), to incorporate the parties to the Stillwater and Varga 2009 Actions into the discovery plan. On September 23, 2009, Navigator approved a version of the Amended Discovery Plan that did not impose any significant limitations on Stillwater Market Neutral's ability to pursue discovery. That plan was forwarded to counsel for defendants on September 24, 2009.[1]

9. At a meeting on October 1, 2009, counsel for Navigator (Stephen Oestreich and Arthur Nealon) and Stillwater Market Neutral (myself and Brent Burns) met and discussed, among other things, Stillwater Market Neutral's role in the litigation and the mechanics (and associated costs) for Stillwater Market Neutral to obtain a copy of the documents that defendants had already produced. At no time during the meeting did Navigator's counsel ever suggest that Stillwater Market Neutral was not entitled to the Phase I Discovery or that it would not provide a

[1] So as not to burden the Court, the emails and drafts of the Amended Discovery Plan that were exchanged between the various parties are not attached hereto. Declarant will promptly provide any or all of those materials to the Court, if the Court wishes to see them.

copy to Stillwater Market Neutral. Instead, it indicated that Navigator would provide an electronic copy of the Phase I Discovery if Stillwater Market Neutral paid the costs for the copy, which it estimated at no more than $10,000.00.

10. On October 21, 2009, defendants sent a revised version of the Amended Discovery Plan to plaintiffs' counsel into which, among other things, defendants inserted language that they would not be responsible for providing a copy of their already produced Phase I Discovery to Stillwater Market Neutral's counsel, but that nothing would prevent Navigator from providing Stillwater Market Neutral with the documents as long as Stillwater Market Neutral signed the operative protective order.

11. Consistent with the discussion at the October 1, 2009 meeting with Navigator's counsel, on October 28, 2009, Stillwater Market Neutral proposed a revision of defendants' language to counsel for all Plaintiffs, which expressly provided that Navigator would provide a copy of the Phase I Discovery to Stillwater Market Neutral if Stillwater Market Neutral signed the operative protective order and paid Navigator's reasonable costs.

12. On October 30, 2009, Navigator circulated a further revised version of the Amended Discovery Plan that deleted Stillwater Market Neutral's language requiring Navigator to provide Stillwater Market Neutral with a copy of the Phase I Discovery.

13. To attempt to avoid unnecessarily raising a dispute between plaintiffs with the Court, and to prevent any further delay, on November 2, 2009 Stillwater Market Neutral proposed to Navigator that it agree that defendants would provide a copy of the documents to Stillwater Market Neutral if Stillwater Market Neutral signed the operative protective order and paid defendants' reasonable costs.

14. On November 4, 2009, Navigator's counsel stated that it had no objection to defendants providing a copy of those documents to Stillwater Market Neutral. However, on November 9, 2009, Navigator's counsel stated that both it and the Bear Stearns and Walkers Defendants were unwilling to provide copies of the Phase I Discovery to Stillwater Market Neutral.

15. On November 13, 2009, Stillwater Market Neutral wrote to Navigator's counsel indicating that it would have no choice but to seek Court intervention if neither Navigator nor defendants will provide a copy of the relevant documents.

16. On November 23, 2009, Navigator returned to its prior position and indicated that it would provide Stillwater Market Neutral's counsel with a set of the documents, if it paid costs of probably no more than $10,000. It also indicated that Stillwater Market Neutral should seek a copy of the documents from counsel for Varga because it might be lees expensive. Counsel for Varga has agreed to provide the documents to Stillwater Market Neutral.

Counsel for Stillwater and Navigator Discussed an Agreement to Consolidate the Actions

17. Subsequent to the October 1, 2009 meeting discussed above, counsel for Stillwater Market Neutral and Navigator continued discussions via telephone, e-mail and letters concerning possible consolidation of the actions and a division of labor among counsel and their clients. Despite engaging in these discussions, and inviting Stillwater Market Neutral to make a written proposal (which it did), on December 7, 2009, Navigator took the position that Stillwater Market Neutral could not participate in discovery unless and until its claim against Deloitte was sustained. Navigator also stated that it would not honor Stillwater's request that the proposal be kept confidential.

Other Relevant Documents

18. Attached hereto as Exhibit 5 is a true and correct copy of the Joint Stipulation Amending First Joint Discovery Plan dated December 11, 2009 executed by all parties in the related actions.

19. Attached hereto as Exhibit 6 is a true and correct copy of the Agreement and Plan Merger by and between The Bear Stearns Companies Inc. and JPMorgan Chase & Co. dated March 16, 2008, that was attached as Exhibit 2.1 to JPMorgan's Form 8-K filed on March 20, 2008.

20. Attached hereto as Exhibit 7 are excerpts from a true and correct copy of the transcript of the March 26, 2008 oral argument before this Court in the Navigator Action.

21. Attached hereto as Exhibit 8 are excerpts from a true and correct copy of the transcript of the September 8, 2008 hearing before this Court in the Navigator Action.

22. Attached hereto as Exhibit 9 is a true and correct copy of an article entitled, WHY THE CIOFFI AND TANNIN TRIAL MATTERS TO JPMORGAN, *Fortune* (Oct. 9, 2009).

23. Attached hereto as Exhibit 10 is a true and correct copy of the firm resume of Browne Woods George LLP.

I declare under penalty of perjury that the foregoing is true and correct. Executed on December 21, 2009 at New York, New York.

s/ Lee A. Weiss
LEE A. WEISS